Tom Munson - Denison Mines Corp. La Sal Mines Complex

From: Sarah Fields <sarah@uraniumwatch.org>
To: Paul Baker paulbaker@utah.gov>

Date: 6/23/2011 5:07 PM

Subject: Denison Mines Corp. La Sal Mines Complex

Dear Mr. Baker.

I have been going over the revised Notice of Intent to Conduct Large Mining Operation (NOI) that was submitted to the Div. of Oil, Gas and Mining by Denison Mines (USA) Corporation on November 8, 2010. I have not reviewed all of this submittal, but I have some questions and comments that I felt I should bring to your attention.

1. The November 2010 NOI, page 8 (top of page) states: "Ore is currently being mined at the Pandora Mine and Beaver Shaft Mine where it is stockpiled at the mine"

Question: Are you aware that Denison is also removing ore from the La Sal Mine?

2. The NOI, page 8, states: "Denison is currently requesting an amendment to the Air Approval order to permit the following estimated quantity and types of equipment:" There follows a table of types of underground and surface equipment for the Beaver Shaft Mine and Pandora Mine.

Comment: Notice of Intent to Modify the La Sal Mine, submitted to the Utah Div. of Air Quality, is dated October 2010. http://www.uraniumwatch.org/lasalmines.ut/denison-lasalmines-airquality-noi.101031.pdf

The Table in the November 2010 NOI submitted to DOGM is woefully incomplete: It does not include the equipment for the operation of the La Sal Mine that was included in the Notice of Intent to Modify the Air Quality Approval Order. Also, it does not identify all the types of equipment or use the same kind of description for some of the types of equipment mentioned in the Oct. 2010 NOI.

3. The NOI, page 11, was revised to state: "Mining at La Sal will take place in 2010. A notification request is currently being made to modify the Approval Order to allow mining at the La Sal Mine Complex and to reflect the production numbers above."

Comment: Apparently, Denison is referring to the Oct. 2010 NOI to Modify the Approval Order. Currently, Denison is operating under an Approval Order that was issued on October 26, 2009. That Approval Order does not include the operation of the La Sal Mine, just the Pandora Mine and Beaver Shaft. A review of the October 2010 NOI shows that there will be a number of changes to the operation of the mines with the addition of the La Sal Mine and expansion of the other operations. This will result in an increase in emissions from the whole mining operation.

The fact is, without the new Air Quality Approval Order, Denison has commenced operation at the La Sal Mine. Operation of the mine was observed by myself on June 3, 2011, and verified by BLM staff. Therefore, Denison is operating the La Sal Mine without the required modification to their Air Quality Approval Order.

- 4. Question: Was DOGM notified of Denison's intent to commence operation of the La Sal Mine? Which approval order issued by DOGM allows Denison to operate the La Sal Mine?
- 5. Comment: As you are probably aware, the existing Plan of Operations for the La Sal/Snowball mines, submitted to the BLM in 1981 (4-pages) and the 1981 EA are a bit skimpy and do not support the operation of the La Sal Mine.

Sincerely,

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